Previous references.
Sl nos 1 2 4 3 & this file

1903.
(Genl Finance)

File No. 5 of 02-03
Serial Nos. 4 – 5

Later references.
Sl nos 6-10 & this file

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 4 – 5

Part B. for

SUBJECT.

Govt of India Securities for 9 Lakhs to be withdrawn from Messrs Coutts & Co and Surpluses in the Royalty account with them to be credited towards the loan for the 2nd instl

Financial arrangements for Expenditure Connected with the 2nd installation of the Cauvery power Scheme.

Sl no 4 Retn No 6940/1943 dt 9.6.03 from the Comptroller Suggests that 9 out of 20 Lakhs of Govt of India Securities may be withdrawn from Messrs Coutts & Co. and solicits instructions as to whether he should open a separate loan account with the Co.

S. G. No 71 2274-s dt 20.6.03 to the Comptroller Approves of the suggestion of the Comptroller and states that Surpluses in the Royalty account with Messrs Coutts & Co have to be credited towards the loan and that a separate account shewing adjustment of the loan may be opened and a copy thereof submitted to Govt monthly for information.

R. S. 58

G. 7 5 Go 2-03

OFFICE OF THE DEWAN OF MYSORE,

(REVENUE AND GENERAL DEPARTMENTS).

(Full Office Note.)

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‡ 1. No. and date of latest letter or paper.
2. Catch words to show nature of subject.
3. Subject to be in red and body of note in black ink.

‡ **Subject.**

Letter No. 6940-1943 dated 9th June 1903 from the Comptroller, Mysore, regarding the financing of the 2d Installation, Cauvery Power Scheme.

S & A.

* 1. Statement of case in narrative form in regular sequence of subject matter or date.
2. Opinions to be stated only as supported by precedents, or general rules which should always be quoted.
3. Serial numbers in file, &c., to be always stated.
4. Dates of important documents referred should be given.
5. Write on both sides, leaving the same side as margin.

* **Note.**

Paper (3) A.

With reference to the order relating to the raising of the loan of £ 70,000/ from Mepro Coutts & Co, the Comptroller, Mysore, states that while sending Mepro Coutts & Co a copy of your order for their guidance he will request them to return 9 out of 20 lacs of Govt of India Securities now in deposit with them. He solicits instruction whether he might open a separate Loan account with the Bankers, independent of the Royalty account now in operation, and withdraw the surplus from them monthly, since the several payments to be made by them periodically are to be treated as a loan repayable with interest

do (4) B.

24 months, and not, as suggested
him, to be agnoted by the monthly
alizations of Royalty and by sale working
Electric Power from the Plant at
resent ~~working~~.

The original correspondence on the subject has been returned to the Secy of St as requested by him. The Dewan while ctioning the terms for the loan has ordered that repayments may be made from the rnings of the new Installation and y Surplus revenue from fols royalties, Capt. Lotbiniere while communi- rting this to Messrs Coutts & Co ntioned merely "the new Installation & any Surplus in revenues". Hence the Govt order tained the expression "the earnings the new Installation & any Surplus venues". Vide term (5) Para 2 of ot order of 18th June - May the Compts ttention be drawn to this and explained at it means also any Surplus revenue m fols royalties' and that therefore a barate account may be opened the Surplus need not be withdrawn

nbd The Secretary
13/6/03
12/6. A draft (accepting) is submitted
for abbn
14/6/03

Terms as conveyed in Govt. Proc. No 2087-D dated 1st June 1903.

£ 700 000 to be paid by Messrs Coutts & Co in England & in India.

2. The interest charged to be at ½% above the rate of the Bank of England with a minimum charge of 4% per annum.

3. The earnings of the new Installation & any surplus revenues available from time to time be used monthly in part payment with interest of the sums advanced to Govt (Vide term 5 in the Proc).

4. The loan with interest to be paid in 24 months from the date of the starting of the plant (Vide term 3 in the Proc).

5. The Govt of India Paper of 11 lakhs already held in Safe custody by Messrs Coutts and Co to be treated as Security.

Proposals from the Comptroller as conveyed in his D.O. letter dated 17. 3. 03.	Terms proposed in the letter to the Residency dated 24th Feby 1903.
1. Finance with our own Royalty ~~account~~ and the income from Electric Power, Contts & Co granting overdrafts whenever we require, at ½% over the Bank of England rate and at 4% minimum.	1. Mepro Contts & Co to advance £70,000/ charging interest at ½% above the Bank of England rate, the rate being 4 to 4½% on the amt advanced & repayment ~~will~~ to be made from the earnings of the new Installatin. Any available Surplus remaining out of the old royalty & the price of the Electric Power sold to the mining Company to be also utilised for repayment.
2. We need ~~not~~ deposit only 7 or 8 lacs of Govt Paper undertaking not to over draw at any time more than 6 lacs.	2. The Govt of Mysore to guarantee to repay the loan with interest within 24 months from the date of the starting of the plant.
	3. The Mysore Govt to deposit 11 lakhs of govt paper with Mepro Contts & Co as security

Terms as conveyed in Govt. Proc. No 2087-D dated 1st June 1903.

1 £ 70000 to be paid by Messrs Cowtts & Co in England & in Rudra -

2. The interest charged to be at ½ % above the rate of the Bank of England with a minimum charge of 4% per annum

3. The earnings of the new Installation & any Surplus revenues available from time to time be used monthly in part payment with interest of the sums advanced to Govt (Vide term 5 in the Proc)

4. The loan with interest to be paid in 24 months from the date of the Starting of the plant (Vide term 3 in the Proc).

5. The Govt of Rudra Paper B 11 lakhs already held in Safe custody by Messrs Cowtts and Co to be treated as Security.

(4).

No. 6940/1943 OFFICE OF THE COMPTROLLER, MYSORE GOVT.

Bangalore, 9th June 1903. 189

From

E. R. SUBRAYER, Rsq., F.A.B.C.E.

Comptroller, Mysore Govt.

To M.V.Manjunda[illegible]a, Esq., B.A.B.L.
The Secretary to the Govt. of Mysore,

General and Revenue *Depts*

SIR,

With reference to para 3 of Govt: Pro: No.PL2087-8 of 1st June 1903 requesting me to arrange with Messrs Coutts & Co. for the payment both in England and India of the cost aggregating ₹ 70,000/- of the 2nd Installation of 2000 additional horse power in connection with the Kavari Power Transmission Scheme sanctioned by Government in the Pro: quoted, I have the honor to intimate that Messrs.Coutts & Co., London will be furnished with a copy of the Government orders in question for information and guidance with a request that 9 out of 20 lacs of Government of India securities now in deposit with them may be returned.

2. As the several payments to be made periodically are, as I understand these orders, to be treated as a loan repayable with interest in 24 months from date of starting of the plant and not, as I suggested, to be adjusted by the monthly realizations of Royalty and by sale of electric Power from the plant at present working I beg to be informed whether I should open for the purpose a separate Loan account with the Bankers independant of the Royalty account now in operation and withdraw the surplus from them monthly as heretofore.

I have the honor to be,
Sir,
Your most obedient servant,

E R Subrayer

Comptroller.

7C 1714 (4)

From

The Comptroller, Mysore Govt.

To

The Secretary to the Govt. of Mysore
Rev. Kud *Dept.*

Dated

Despatched 9— 6—03

Received

L. F. No. 6960
No. 1943

SUBJECT MATTER.

Intimating that Messrs Coutts & Co London will be furnished with a copy of Govt orders in question - for the information & guidance with a request that 9 out of 20 Cases of Govt of India securities now in deposit there may be returned -

(5)

S/605-

Read again-

Govt Reso. No. H 2087-8 dated 18th June 1903 requisitioning the Comptroller Rangoon Govt, to arrange with Messrs Coutts & Co, London, for financing the 2nd Installation, Canvery Power Scheme-

Read-

Letter No. 6940-1943 dated 9th June 1903 from the Comptr, Rangoon Govt.

Order thereon:-

The Comptroller Rangoon Govt, reports that ~~[illegible]~~ while furnishing Messrs Coutts and Co, London, with a copy of the Govt order read above for information & guidance, he will request them to return Govt of India Securities now in deposit with them. He solicits instructions whether he might

D

No. H 2274-5

9/2/06/03

W

open a separate Loan account with the Bankers, independent of the Royalty Account now in operation, and withdraw the Surplus from them monthly, since the Several payments to be made by them periodically are to be treated as a loan repayable with interest in 24 months, & not, as suggested by him, to be adjusted by the monthly realizations of Royalty and by Sale of Electric Power from the Plant working at present.

The Comptroller's ~~action relative to communicating the Govt order to Messrs Coutts & Co and with~~ Suggestion regarding the withdrawal of the Govt of 20 lacs Govt of India Securities from the Banks is approved. As regards

the question of the repay-
-ment of the loan, the
attention of the Comptr.
is drawn to term (5) in
para 2 of the Govt order,
by which it is meant
that the earnings of the
new Installation and
any surplus revenue
from fld royalties which
becomes available from
time to time should be
utilized monthly in
part payment, with interest
of the sums advanced to
Govt. Hence, the surplus
with the Bankers need
not be withdrawn. A
separate account with
them, showing the adjust-
-ment of the loan, may
be opened and a copy
thereof submitted to Govt
monthly for information.

17/6/03 SR 17/6/03 Secretary, 19/6

To the Secretary P.W.D.
" Comptroller, Treasuries.